



MANAGEMENT DISCUSSION AND ANALYSIS

THIRD QUARTER INTERIM REPORT

FOR THE PERIOD ENDED SEPTEMBER 30th 2008

The following Management Discussion and Analysis (MD&A) is a supplement to the unaudited financial statements for the period ended September 30th 2008 which is deposited under Ditem Explorations, Public Documents at www.sedar.com. The information contained in this MD&A is complementary to the 2007 audited Annual Financial Statements and the corresponding MD&A and interim report of June 30th 2008, which are also available on www.sedar.com. This report, along with all of the recent press releases and previous financial statement are also available on Ditem's (the "Company") website at www.ditem.ca.

This MD&A represents views and comments of management on the Company's current activities and contains a brief outlook of activities and objectives for the coming months.

1. DATE

This MD&A for the Quarter ended September 30th 2008 was completed on November 25th 2008. As required, important activities and events after September 30th 2008 are also noted.

2. CORPORATE PROFILE

Ditem Explorations (the "Company") is a uranium exploration and development company. It was incorporated in May 1993 under the Canada Business Corporations Act and is listed on the TSX Venture Exchange (DIT, TSX-VX). The Company has been publicly listed since August 24th 1995. Ditem also trades on the Frankfurt Stock Exchange under the symbol D8X since January 2007.

The Company's principal properties are situated in the Otish Mountains region of north-central Quebec (principally in the Otish Basin) and in the Lake Athabasca Basin in Saskatchewan. Other properties and exploration projects in Quebec and in Canada are currently being reviewed as part of on-going activities.

The Company has no income or royalties from production or from production related activities and none were anticipated for the period ending September 30th 2008 or are anticipated in 2008. All properties and interests are at the exploration stage.

3. EXPLORATION ACTIVITIES

A summary of Ditem Explorations properties and projects with a brief note of on-going activities, exploration programs and program costs are presented in the following table. A more detailed text follows. All programs are subject to final approval or review or modification by the Board of Directors.

PROPERTIES	INTEREST HELD	EXPLORATION PROGRAM	NOTES
Quebec Properties			
Otish Uranium	486 claims totaling approximately 258 km ² 100% Ditem	Detailed uranium regional review for all of Otish Basin completed; 43-101 completed; airborne magnetics, radiometrics and TEM surveys completed and reviewed; 6 hole drill program in 2007; 4 hole drill program completed during Q3, and awaiting assays	Program review completed; awaiting assays on last drill program Preparing new geological reports, new 43-101 compliant technical review
Otish Uranium South	100% interest in 717 claims totaling 381 km ² .	43-101 technical review completed; airborne magnetics, radiometrics and TEM surveys and 300m test drilling scheduled for late 2008 or 2009 for \$500,000	Aeromagnetic program subject to available funds or a financing in 2009
Tichegami	48 claim cells; 205,3 km ² 90% Ditem	No work planned for the present year	5 kimberlite discoveries in 2003
Matoush	2 % NSR	Strateco drilling and development program on-going	
Hemingford	4 claim cells, 100% DITEM	No further work planned at this time	Properties will be maintained and may be the object of an option
Lake Athabasca Basin Projects (Saskatchewan)			
Beartooth	4 mineral dispositions totaling 237.6 km ² ; opt 60% interest now acquired by Ditem (two years ahead of proposed schedule) and Ditem now operator	Airborne MegaTem survey completed. Magneto-Telluric survey completed and targets identified. Additional Magneto-Telluric survey on north-eastern sector; 3 hole drill program undertaken in Q1 of 2008 on Beartooth Island and on Lake Athabasca;	Sample analysis to be received shortly; project review and preparation of the next phase of the exploration program
Cree Lake	100% interest (2% NSR to a third party) on 20 mineral dispositions totaling 831 km ² ; complete renewal in early 2008.	Airborne VTem and Mag surveys completed; ground geophysics and structural study to be undertaken in fall of 2008 and possible drilling on ice in late 2008 or early 2009; program review completed; target drilling proposed	VTem and Mag surveys of \$460,000 completed in March 2007; ground target geophysics may be undertaken. Initial drill program in estimated at \$250,000

A description of the properties, maps and exploration programs is available at the Company's web site at www.ditem.com

The Otish Mountain Properties, Quebec

a. Otish Uranium Property

Geologically well situated in the western wedge of the Otish Basin, the property consists of 486 contiguous claims totalling 258 km² including Ditem's Beaver Lake properties. The Otish Uranium Property is bordered to the south by the Cameco Otish block and extends northward to the 52° parallel with the Matoush Property a few kilometers to the East. The property encompasses the UEM block on which are reported uranium leached surface assays grading from 0.23% up to 2.46% of U₃O₈. In 2006, Ditem mandated InnovExplo to compile relevant existing data on the entire Otish Basin. This regional compilation was completed in 2007.

In early 2007, a 43-101 compliant technical report was completed for the property and a program outlined. Ditem's 2007 exploration program consisted of, among other things, detailed magnetometer, radiometric and TEM airborne surveys at 150m line spacing which were completed. The airborne radiometric survey identified many targets for ground investigation. In the deeper section on the eastern half, over 70 anomalies (uranium equivalent) have been identified. These are either uranium rich outcrop or boulders close to source. All are expected to be ground checked.

From this data and already available structural and drill reports from previous work, targeted areas were selected for detailed exploration and drilling. Drilling began in mid-June and 6 holes have been drilled to target unconformity deposits. Drilling was completed in late November 2007. Results of the program have produced weak uranium indications.

In January 2008, Geophysique Camille St-Hilaire undertook a new analysis and interpretation of the 2007 survey incorporating data obtained from the 2007 drill program. As a result of this and other elements, the new drill program has been prepared. In August, and following the completion of a specific financing, the company has undertaken a 4 hole drill program to test targets identified as a result of last year's drilling and recent analysis.

The company completed 852.8 metre diamond drilling project on its wholly owned Otish property between July and September 2008 as part of its uranium exploration program in Quebec. This project was undertaken to follow up on the anomalous results of the 2007 Airborne TDEM (AeroTEM II), magnetic and radiometric survey. It is thought that some of that survey's conductive anomalies may be caused by alteration fluids that might contain uranium mineralization. Four diamond drill holes were completed into three selected conductive anomalies.

One drill hole encountered trace amounts of uranium related to a 10cm altered gabbro dyke intersection using a RS125 Spectrometer. It is not known whether the gabbro dyke is the cause of that conductive anomaly as pyrite mineralization was encountered elsewhere in that drill hole. The core recovered from the three other drill holes completed into the two other conductive anomalies did not show evidence of uranium. These drill holes did encounter significant sulphide mineralization (pyrite and pyrrhotite) that likely explains the cause of the two anomalies.

Each drill hole was left cased and open for future down hole geophysical surveys to confirm the cause of three conductors. Selected samples recovered from all the drill holes are currently being submitted to an accredited laboratory for uranium pathfinder, precious metal and base metal chemical analysis.

b. Otish Uranium South Property

Otish Uranium South Property consists of 725 claims totalling 38,524 hectares staked by Ditem in early 2007 and later in the summer of 2007. The Otish Uranium South property is located approximately 20 km south of the eastern edge of the Otish Basin. Although the property is not part of the Otish Basin, it is composed of the same sedimentary units and appears to be a remnant of a much larger basin that was once united. The Otish Uranium South Property is underlain by the Indicateur Formation of the Otish Group consisting of conglomerates and sandstones (about 1.7 Ga).

Little exploration work was done on this area in the past. The property is near the Grenville Front and some preliminary data suggests a highly deformed and fractured environment with substantial metamorphism. Gabbro intrusions are also notably described in basic geological maps of the area. A key feature of this property is its vertical distance to the unconformity which is probably in the range of 200 to 300m as suggested by preliminary data.

In early May 2007, the 43-101 technical report was completed and presented to the Board. The exploration program was reviewed and priorities established. The proposed exploration program including airborne magnetics, radiometrics and TEM surveys at 150m line spacing which was scheduled for June 2007 has been postponed to late 2008 as a result of reduced budgets and in light of activities on the Otish Uranium Property.

The proposed 300m two hole drill program, proposed for the fall of 2008, is now scheduled for 2009.

c. The Matoush NSR

The Company has a 2% NSR on the Matoush Property, now being explored and developed by Strateco Resources.

The Lake Athabasca Projects

a. The Beartooth Property

The property is located approximately 72 km southwest of Uranium City, Saskatchewan and approximately 10 km southeast of the Maurice Bay uranium deposit (Cameco). This prospect is composed of four mineral dispositions totaling 23,760 hectares (58,712 acres) located along the north west perimeter of the Athabasca Basin.

In 2006, and for the first phase of the exploration program, a \$200,000 Megatem II survey was completed. The Megatem II survey consisted of 1,156 line km and covered the entire property, including the island and surrounding portions of Lake Athabasca. The property-scale, high-resolution and deep-penetrating electromagnetic-magnetic survey conducted at the Beartooth Property has been completed and preliminary reports received. The M II system appears to have outlined several north-south-trending lineaments in the western portion of the property and northeast-trending lineaments in the eastern part of the property all thought to potentially represent fault zones. In the east portion of the property, these are considered of interest due to their proximity to the Black Bay fault zone which is associated with uranium mineralization closer to the Uranium City and Beaverlodge areas to the northeast.

Within the first half of 2007, a successful ground Magneto-Telluric survey was completed, final data was received and subsequent targets were defined. Throughout early 2008, a spartan MT survey compiling 18 lines, for a total of 118.2 line kilometres over one additional priority target area (coverage over the northeast section of property) was run, as well as a detailed in-fill which surveyed over selected areas of the remainder of the property based on the definition of a series of anomalies. The determined anomalies may be a product of basement conductors that are associated with resistivity lows as outlined from the initial 2007 survey slated for drill testing. The drilling program totaled 2511.55 metres, testing three separate conductors as defined by the winter 2007 Spartan MT survey.

Variable hydrothermal alteration (hematite, chlorite, limonite and clay) normally associated with uranium deposits in the area were intersected to the unconformity and into the basement rocks. Both of these holes also showed an increase in radioactivity above background and elevated boron values. A follow-up down-hole time domain electromagnetic surveying (BHTEM) identified two off-hole conductors in 2 of the three holes completed. These first drill intersections on the Beartooth Island Prospect are highly encouraging in light of the evidence of hydrothermal alteration, elevated boron values and off-hole electromagnetic conductors. This may indicate a neighbouring mineralized structure. Both targets coincide with the ground magnetotelluric geophysical anomalies. Ditem's geologist Alan Davies was present on the Beartooth Property for the drilling and MT program. He reported directly to Ditem directors for the duration of the program and has prepared a detailed report.

As per the agreement with Golden Valley, Ditem has now obtained a 60% interest in the property and is currently the sole operator for future programs. The final documents confirming the change of interest have been signed; Ditem has been registered on title as of September 2008. Ditem may earn up to a 66% interest upon presenting a bankable feasibility study. The next phase in the exploration of the Beartooth Property is a full comparative project review and preparation for the next exploration program. A total of 159 samples were submitted for analysis in addition to their duplicates for alteration studies in order to detail the geochemical halo effect as related to uranium mineralization. The results are expected shortly and work may resume on the property in Q2 of 2009.

b. The Cree Lake Property

The Cree Lake Property is located in the southeast sector of the Athabasca Basin in northern Saskatchewan. It consists of 20 claims, 19 of which form a contiguous block of some 83,070 ha or 837 km². The property was fully acquired by Ditem in April 2006 and is subject to a 2% NSR in favour of the prospectors. The properties were renewed for 2008.

In March of 2007, V-Tem and magnetic surveys were flown over the entire property of Cree Lake at 200m line spacing with areas of interest flown at 100m line spacing. Analysis undertaken during the Second Quarter indicates features with strong potential and the Company is now preparing a ground geophysical survey over parts of the property and a drilling program on identified targets. Further interpretation was completed by JVX and 4 prominent conductors were identified. Offsets in 2 of these conductors occur at magnetic breaks.

A limited ground geophysics program to be followed by exploration drilling is scheduled for late 2008.

Agreements with Sinosteel

In the fall of 2007, the Company signed an MOU with Sinosteel concerning joint exploration activities with Ditem. Sinosteel Mining Company Ltd, a subsidiary of Sinosteel Corporation, is responsible for several mining operations and mining interests of Sinosteel in China and in several other countries including notably a uranium mine in Australia. Sinosteel is an important mining and related business company, mainly engaged in developing and processing metallurgical mineral resources.

The MOU provided the background for, notably, exploration and development work on the Company's uranium properties as well as new properties in the Athabasca Basin. The MOU is a result of several meetings held in Beijing, Montreal and Saskatoon, and a property visit in the Athabasca Basin.

According to the terms of the MOU, the partners will undertake to negotiate and, subject to agreement, sign Letters of Intent specific to exploration and development programs, a proposed equity financing by Sinosteel in Ditem, as well as other mineral projects and other ventures that both companies may seek to develop.

In April 2008, the Company signed a Letter of Intent with Sinosteel Mining Company Ltd, a wholly owned subsidiary of Sinosteel Corporation, establishing the conditions for joint venture agreements on Ditem exploration properties and projects in Canada.

The LOI, subject to Joint Venture Agreements, outlined the creation of a joint-operating committee responsible for exploration and development programs on Ditem's uranium properties in Saskatchewan (Athabasca Basin) and Quebec (Otish Mountains Basin), amounts to be paid by Sinosteel for the acquisition of a 50% interest in specific Ditem properties, the purchase by Sinosteel of an initial interest of Ditem shares and various other provisions for continued development. The LOI was to be completed by Joint Venture Exploration Agreements specific to each of the properties.

In May and June, Sinosteel completed a complete due diligence on Ditem properties and exploration expenses. In mid-June, Sinosteel requested a 60 day delay for the negotiations in Montreal as a result of the earthquake in Szechuan Province and their participation in efforts for the area. The delay was granted. After discussions in July and early August, and as a result of activities related to the Summer Olympics in Beijing, it was decided to postpone their trip to September 16th and new visa applications and letters were again issued.

Representatives of Sinosteel flew to Montreal on September 16th and made visits to the Otish Mountains area and the Athabasca Basin. Working sessions were held in Montreal, Regina and Vancouver with Sinosteel and government representatives. . The Sinosteel groups returned to Beijing on September 24th and after agreements were reached on all key items. Legal consultants continued to finalise minor items and all documents were completed on October 22nd as agreed.

On November 6th, and as agreed upon, Ditem representatives went to Beijing in order to formally sign the LOI and participate jointly in the China Mining Conference. On November 10th, Ditem was officially notified that because of the "global financial crisis" proceeding with the project was "temporarily suspended." A press release was issued by Ditem on November 11th.

Ditem is presently examining other alternatives to the situation.

4. SELECTED QUARTERLY INFORMATION

The following Selected Quarterly Information for the Quarter ending September 30th 2008 is discussed in the present MD&A.

	Results as of September 30 th , 2008	Results as of December 31 st , 2007	Results as of September 30 th , 2007
Shareholder equity	\$ 10,878,098	\$ 10,779,083	\$ 9,210,416
Deficit	\$ 7,517,019	\$ 6,770,084	\$ 5,234,646
General Expenses	\$ 264,481	\$ 810,200	\$ 114,866
Current Assets	\$ 2,584,329	\$ 4,917,947	\$ 4,158,293
Mining Properties	\$ 1,490,138	\$ 1,433,602	\$ 1,433,602
Deferred Expenditures	\$ 7,486,586	\$ 4,994,607	\$ 4,194,938

5. LIQUIDITY AND CAPITAL RESOURCES

Liquidities to September 30th 2008 total \$2,584,329 including accounts receivable of \$1,072,238 and pre-paid expenses of \$3,410. Liquidities have increased from June 30th 2008 as a result of the financing undertaken in late July and from amounts owing as a result of the Resource Tax Credit, which was paid following the end of the Third Quarter.

Accounts receivable of \$1,072,238 are composed of the following:

Provincial Sales Tax	\$68,609
Federal Sales Tax	\$51,881
Resource Tax Credit	\$900,000
Varia (adjustements, rent, equipement etc)	\$51,748
	\$ 1,072,238

Quebec's Resource Tax Credit for admissible exploration programs in the Otish Mountains has since been received as well as Sales Tax returns.

Accounts payable at September 30th 2008 total \$120,527 and are composed of the following:

On-going exploration expenses (Otish Uranium)	\$520,218
Deductions at source	\$5,607
	\$525,825

Accounts payable have since been paid.

Marketable securities for \$395,707 are composed of shares in companies acquired as a result of the transaction with Strateco and shares of Gastem resulting from the listing of the latter in early 2004. The market value of these shares is given at fair value at September 30th as stated in the financial statements and the amount is slightly higher than actual market value in late November.

Shareholder equity is at \$10,878,098 as compared to \$10,791,895 in Q2 2008. .

6. OPERATIONS AND DEFICIT

As of September 30th 2008, the Company earned revenues in the form of interest payments on bank deposits for \$4,532. No securities were sold during the Third Quarter.

Operating expenses of \$264,481 were in keeping with the Company's exploration and development activities. Travel expenses increased essentially due to operations in the Otish and as a result of work with Sinosteel. Office expenses and professional fees were slightly lower than those of the previous Quarter in spite of increased activity with the Sinosteel project. Ditem has increased professional fees in line with its activities related the negotiation with Sinosteel. To date, and generally, operations are within the proposed budget as established and reviewed during preparation of exploration programs.

The total deficit to September 30th 2008 was \$7,517,019 as compared with \$6,846,222 from the previous Quarter.

REVENUES AND LOSSES FOR THE LAST 8 QUARTERS				
Quarter	Total Revenues (\$)	Net Profit (Loss) \$	Net Profit (Loss) per share (\$)	
			Issued	Diluted
30/09/2008	4,532	(614,548)	(0.013)	(0.011)
30/06/2008	454,112	197,924	0.004	0.004
31/03/2008	24,101	(131,855)	(0.006)	(0.006)
31/12/2007	266,744	(1,114,281)	(0.030)	(0.030)
30/09/2007	41,385	(73,481)	(0.010)	(0.010)
30/06/2007	52,050	(229,910)	(0.000)	(0.000)
31/03/2007	43,892	(131,780)	(0.000)	(0.000)
31/12/2006	302,173	(16,112)	(0.010)	(0.010)

7. FINANCING

In July of 2008, Ditem completed a non-brokered private placement of 1.5 million flow-through common shares at a price of \$0.50 per share for gross proceeds of \$750,000. There were no warrants attached to the shares. A finder's fee of \$56,250 representing 7.5% of the gross proceeds has been paid to Desjardins Securities. Use of proceeds of the flow-through financing was for exploration drilling on the Otish Uranium Property.

A summary of all financings from January 1st 2006 to September 30th 2008 is given below.

Date of Financing	Shares				Warrants	
	Number of Shares	Price	Amount before Expenses	Non Flow-Through	Number	Cost
Apr. 2006	5,777,776	\$0.1125	\$649,999.80	\$320,812.43	5,777,776	\$0.15
Nov. 2006	7,000,000	\$0.25	\$1,750,000.00	\$875,000.00	1,750,000	\$0.35
Dec. 2006	2,666,666	\$0.45	\$1,199,999.70	\$1,199,999.70	1,333,333	\$0.60
Jan. 2007	4,231,000	\$0.65	\$2,750,150.00	\$2,750,150	2,115,500	\$0.75
Oct. 2007	2,500,000	\$0.80	\$2,000,000.00	0	0	0
July 2008	1,500,000	\$0.50	\$750,000	0	0	0
	Total		\$8,350,149.50			

There were no other financings during the Quarter and no other financings to the date of this report.

8. EXPLORATION EXPENSES AND USE OF PROCEEDS

During the Third Quarter of 2008, Ditem completed a four hole drilling exploration programs on its Otish Uranium property in the Otish Basin as well as compilation and review work on its Athabasca properties.

Flow-Through Exploration Reserve (from December 31st 2007 to September 30th 2008)

		CEE	CEE (Qc)	
Flow-Through Reserve December 31st 2007		\$ 2,000,000	\$ 0	\$ 2,000,000
Flow-Through Exploration Expenses to March 31st 2008		\$ 823,564	\$ 0	\$ 823,564
Flow Through Reserve March 31 2008		\$ 1,176,436	\$ 0	\$ 1,176,436
Flow-Through Exploration Expenses for to June 30th 2008		\$ 1,176,436	\$ 0	\$ 1,176,436
Flow Through Reserve June 30th 2008		\$ 0	\$ 0	\$ 0
			Total	\$ 0
Flow through Reserve on July 28th 2008		\$ 0	\$750,000	\$750,000
			Total	\$750,000

All flow-through funds have been completely spent for admissible exploration work on the Beartooth Property, in April and May 2008 and subsequent to the July flow-through financing, on the Otish Uranium Property.

Non flow-through and flow-through financings from January 2007 to September 30th 2008

	Non Flow-Through	Flow-Through		Total
		CEE	CEE (Qc)	
January 2007 All shares at \$0.65 and half warrant at \$0.75 for non flow-through	\$ 2,750,150	\$ 0	\$ 0	\$2,750.150
October 2007 All shares at \$0.80	\$ 0	\$2,000,000	\$ 0	\$2,000,000
	\$ 2,750,150	\$ 0	\$ 0	\$4,750,150
July 2008 All shares at \$0.50	\$ 0	\$ 0	\$750,000	\$750,000

In July of 2008, Ditem completed a non-brokered private placement of 1.5 million flow-through common shares at a price of \$0.50 per share for gross proceeds of \$750,000. In August of 2008, Ditem undertook an drilling exploration program on the Otish Uranium Property for an estimated cost of \$750,000, which program was successfully completed in early October of 2008. At the time of writing this report, the flow-through reserve is at \$0.00.

9. FINANCIAL COMMITMENTS

Financial commitments of the Company are related only to on-going exploration expenditures and normal operating expenses. The Company has no long term obligations. Monetary obligations to acquire a 60% interest in the Beartooth Property have been met and the interest acquired as of August 2008.

There are no other financial commitments of any kind other than those from normal and on-going exploration programs, which Ditem may or may not continue, depending on financial resources, new exploration programs and development opportunities.

10. RELATED PARTY TRANSACTIONS

In consideration of management, Company administration and direction, the CEO received a monthly fee of \$4,000 approved by the Board of Directors. As of May 1st 2007, the monthly fee was increased from \$4,000 to \$5,000 as approved by the Board of Directors. This increase is explained by the increase in the Company's activities and managements needs.

Since 2001, the Company has its offices at 1155 University St., suite 805 in Montreal and pays its share of the cost of the lease, taxes, office insurance, telephone and fax leasing contract and other related and similar costs to 3915671 Canada Inc. The sole shareholder of the latter is Raymond Savoie, a Ditem director. 3915671 Canada Inc. does not charge fees of any kind for this service nor does it produce any profit of any kind on operations, the Company having been created solely to facilitate office administration and to reduce costs for office maintenance.

11. CRITICAL ACCOUNTING POLICIES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of estimates relate to assessing the realizable values of mining and exploration assets. Consequently, actual results could differ from those estimates.

Properties include rights in properties and deferred exploration expenses. Exploration expenses are deferred until the economic viability of the project has been established, at which time the expenses are added to properties. Expenses are written off when properties are legally abandoned, or when expense recovery is uncertain. Management has defined uncertainty as either there being no financial resources available for development over a period of three consecutive years or results from exploration work not warranting further investment.

12. CHANGE IN ACCOUNTING POLICIES

There were no changes in accounting policies.

13. INTERNAL CONTROLS OVER FINANCIAL REPORTING

For the period ending on September 30th 2008, an evaluation was conducted under the supervision of the Chief Executive Officer and the Vice President Finance in collaboration with the Management of the Company in regards to the efficiency of the internal accounting and administrative controls of information communication within the Company. Relying on this evaluation, the Chief Executive Officer and Vice President Finance concluded that the design and utilization of these internal accounting and administrative controls were efficient on September 30th 2008 in order to provide reasonable assurance that the material financial information of the Company is disclosed to them by other persons in the Company, particularly during the period when reports are being prepared.

Management is responsible for and has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP. There were no changes in the Company's internal control over financial reporting that occurred during the three months period ended September 30th 2008 that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

14. OTHER

Public Company information is available on SEDAR at www.sedar.com or at the Company's web site at www.ditem.com.

All expenses related to properties and exploration programs were financed by Ditem and paid with Ditem funds.

15. RISKS AND UNCERTAINTIES

Exploration and development in the mining sector involve significant financial risks. The success of the Company will be influenced by a number of factors including financing, exploration risks, and environmental and other regulations. The Company will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

16. SHARES, WARRANTS AND OPTIONS

As of September 30th 2008, the Company has 46,773,085 shares in circulation. Fully diluted the Company has 53,770,884 shares issued and outstanding as compared to 52,270,884 on June 30th 2008.

Total Shares Issued

Shares issued	Note
45,253,085	As of July 1 st 2008
1,520,000	Shares issued to September 30 th 2008
46,773,085	As of September 30th 2008

Share Issued during Q3 2008

Share issuance	Note
20,000	Warrants exercised
0	Option exercised
1,500,000	Private Placement
1,520,000	Total shares issuance during Q3 2008

Warrants not exercised

Warrants	Exercise Price	Date of Expiry
67,500	\$0.48	2008-10-06
328,250	\$0.35	2008-12-11
1,299,999	\$0.60	2008-12-12
2,327,050	\$0.75	2009-01-26
250,000	\$0.80	2009-10-18
4,272,799	Total	

Options

Options	Exercise Price	Date of Expiry
1,500,000	\$0.97	2012-02-09
1,200,000	\$0.65	2012-12-20
25,000	\$0.56	2013-01-28
2,725,000	Total	

17. OUTLOOK

With global market conditions indicating the seriousness of the present crisis, almost all mining exploration companies have seen major reductions in shareholder value. Metal prices, apart from normal exceptions such as gold, are much less appealing than they were two years ago and the cost of financing for juniors has increased dramatically as a result of this downward spiral. However, several analysts believe strongly that uranium could maintain a healthy upward pressure and current prices in the range of \$50.00 to \$60.00 should generally prevail. Uranium continues to be in strong demand and shows no sign of decreasing and Ditem intends to profit fully from this advantage.

The crisis has seriously affected a major Ditem project. As announced on November 7th, the proposed LOI with Sinosteel was not signed as the process was “temporarily suspended.” This suspension indicates that a year’s efforts and expenses in meetings, property visits, reports, discussions and negotiations are now on hold. However, it may be better for the Company to move on and should Sinosteel return to the table, once the general government restriction has been lifted, Ditem could then decide whether or not to proceed.

Over the course of the coming months, the Company will continue with its exploration programs and reviews. Although assays are still to be received from the last drill campaign on the Otish Uranium property, additional drilling needs to be undertaken. Furthermore, a detailed and comparative review of Beartooth will be undertaken shortly. Other properties will be reviewed as to financial availability and objectives. New projects will continue to be analysed.

There are several high-growth opportunities for Ditem in spite of the prevailing market conditions. Over the next few months, nearby properties and interests will be available at extremely low prices. Efforts will be increased to see that all new projects will substantially increase proper market value attributed to our shares.

The Company is confident that it will be able to meet these new conditions with vigour and a sharp eye. The coming months are key to our continued development where each dollar will have to be wisely spent and a balance between liquidity and development has to be established.

The directors of Ditem wish to thank shareholders for their continued support, and wish you and yours all a Joyous Holyday Season and peace, health and prosperity in 2009.

November 25th 2008

(s) Raymond Savoie
Chairman and Chief Executive Officer